

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE BOARD OF PATENT APPEALS AND INTERFERENCES**

In re Application of: Philip Course *et al.*
Application Serial No.: 10/562,314
Filing Date: 05/19/2006
Title: **Electronic Transaction System**
Examiner: Augustin, Evens J.
Art Unit: 3621
Appellant: TAMFO Australia Pty. Ltd.
Atty. Docket No.: 72882-012 (WRAJ-002)
Confirmation No.: 3803
Customer No.: 23630

REPLY BRIEF

Mail Stop Appeal Brief – Patents
Commissioner for Patents
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Sir:

This Reply Brief is submitted (i) in response to the Examiner's Answer issued 23 June 2011, and (ii) in support of the Notice of Appeal filed 22 July 2010 and the Appeal Brief filed 21 March 2011 for the above-referenced application.; in the Appeal Brief Appellant appealed from the Examiner's final rejection of claims 1-30 of the subject application as set forth in the final Office Action of 22 January 2010.

Real Party In Interest

The subject application is assigned to TAMFO Australia Pty. Ltd., by assignment executed 01 May 2006 and recorded on 19 May 2006, at Reel 017642, Frame 0773.

Status of Claims

1. Claims canceled: None
2. Claims withdrawn from consideration, but not canceled: 31-42
3. Claims pending: 1-42
4. Claims allowed: None
5. Claims rejected: 1-30
6. Claims on appeal: 1-30

Grounds of Rejection To Be Reviewed On Appeal

I. Whether claims 1-30 are anticipated under 35 U.S.C. § 102(e) by U.S. Patent Application Publication No. U.S. 2002/0143655 to Elston *et al.* (“Elston”).

Argument

I. Claims 1-30 are not anticipated under 35 U.S.C. § 102(e)

In the final Office Action of 22 January 2010 issued for the subject application, claims 1-30 were rejected under 35 U.S.C. § 102(e) as being anticipated by U.S. Patent Application Publication No. U.S. 2002/0143655 to Elston *et al.* (“Elston”).

In the Appeal Brief filed 21 March 2011, Appellant respectfully submitted that claims 1-30 are not anticipated or rendered obvious by Elston.

In the Examiner’s Answer issued 23 June 2011, the Examiner essentially reiterated the grounds for the final rejection of claims 1-30. Appellant respectfully submits that the Examiner’s rationale as stated in the final Office Action and the Examiner’s Answer are erroneous, as is explained below.

Appellant submits that to anticipate a claim, the applied reference must teach every element as set forth in the claim. As explained by the Federal Circuit, “[a] claim is anticipated only if each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference”. *Verdegaal Bros. v. Union Oil Co. of California*, 814 F.2d 628, 631, 2 USPQ2d 1051, 1053 (Fed. Cir. 1987) (*see also* MPEP §2131). Furthermore, “[a]ll words in a claim must be considered in judging the patentability of that claim against the prior art.” *In re Wilson*, 424 F.2d 1382, 1385, 165 USPQ 494, 496 (CCPA 1970); *see also* MPEP § 2143.03. Appellant respectfully submits that Elston does not disclose, either expressly or inherently, each and every element as set forth in claim 1, which is the base claim for all of the remainder of the claims on appeal (i.e., claims 2-30). Moreover, Appellant submits that the

Examiner did not consider all of the words in claim 1 in making the rejection under 35 U.S.C. § 102(e).

Claim 1 of the subject application recites the following:

1. An electronic transaction system comprising:

a host server having an electronic inventory of electronic goods and/or services;

at least one transaction device having a transaction application;

at least one service provider system; and

a content management system,

where the content management system provides content in the form of details of electronic goods and/or services stored in the electronic inventory able to be transacted by the electronic transaction system to the at least one transaction device and where the transaction application is operable to generate a user interface using the details and operable to generate a client request for one or more of the electronic goods and/or services, where upon the at least one transaction device issuing the generated client request to the host server **the host server operates to** generate a client response in reply to the client request and in generating the client response, where necessary, issuing a service request to the at least one service provider system and receiving a service response from the at least one service provider, and to **issue the requested electronic goods and/or services.**

[Emphasis added]

As Appellant's specification explains, the electronic goods and/or services recited in Appellant's claims, e.g., claim 1, may take the form of movie pass numbers, recharge codes for

telecommunications carriers or software (*see* page 14, lines 23 to 25 of the specification, which corresponds to PCT publication number WO 2005/001725). The transaction application generates a user interface through which a customer interacts to purchase an electronic good or service (*see* page 25, lines 7 to 9 of the specification). Once the customer's selection has been completed using the user interface, the transaction device generates a client request for the selected electronic good or service and the client request is forwarded to the host server 12 (*see* page 25, lines 10 to 23 of the specification). The client request is then processed and ultimately **the host server is operable to issue the requested electronic good or service to the transaction device** (and thus to the customer) (*see* page 30, lines 9 to 19 of the specification as filed).

At the very least, Elston fails to disclose or suggest at least the above-described features of claim 1 and the above-described aspect of the claimed invention.

In particular, Elston's system does not relate to an electronic transaction system capable of transacting electronic goods and/or services. In fact, Elston clearly discloses that the invention "relates to a system enabling mobile customers to remotely place orders with any one of a group of affiliated merchants **for pick up by the customer at a specific merchant location**" (emphasis added) (*see* para. [0002] of Elston).

It is clear that Elston fails to disclose or suggest the above-mentioned limitations of claim 1. In particular, Elston fails to disclose a system that issues requested electronic goods and/or services.

For the final rejection, the Examiner argued that Elston discloses electronic goods and services by referring to the “multimedia objects”. *See* Office Action, page 5:

The prior art by Elston teaches the inventory of the store that is housed in server(s), par. 81, which contains directory/databases. The databases show the multimedia objects inventory such as audio or video, par. 525.

In the Examiner’s Answer, the Examiner presented similar rationale, stating (in part, at 4-7) the following:

As per claims 1-30, Elston discloses an invention comprising the following:

- A. “a host server” (One or more servers, par. 28), “having electronic inventory of electronic goods/services” (**the inventory of the store is housed in server(s), par. 81, which contains directory/databases — the databases show the multimedia objects inventory such as audio or video, par. 525**);
- B. “at least one transaction device”(Point of sale terminals, par. 272);
- C. “at least one service provider system”(transaction manager service, par. 94);
- D. “and a content management system” (par. 19),
- E. where the content management system provides content in the form of details of electronic goods and/or services (goods and services, par. 254 and multimedia objects, which can include images, audio, video and text, par. 542)

- F. able to be transacted by the electronic transaction system to the at least one transaction device (Transaction at the user's mobile device, par. 59)
- G. and where, upon the at least one transaction device issuing a client request (client mobile device interfacing or transmitting request, par. 59) to the host server (par. 59) for one or more of the electronic goods and/or services detailed (transaction with fast food dispensing restaurant, a chain of video rental stores, a chain of convenience stores, etc. par. 59 and par. 120),
- H. "Comprising a matrix recording a set of permissions and/or constraints applicable to the electronic transaction system" (comprising merchant and customer permission and constraints such as customers may use multiple access devices each with its own authentication data, which must be stored and retrieved from the security information store par. 405. These constraints are in a relational database, par. 405 or matrix)
- I. "Matrix includes at least one of the following dimensions: a transaction device dimension; an electronic good or service dimension; and a merchant dimension " (rules based on transaction device, par. 426 or different hierarchy of authentication within the merchant organization, par. 427);
- J. "Host server determines whether the client request complies with the set of permissions and/or constraints" (In this case the requirement is proper PIN and password from the client, in order to process transaction, par. 196);

- K. “Each transaction device of the at least one transaction device receives a set of unique identifiers from the host server, each unique identifier representing a component of the content “ (item SKU, par. 293. It is well known in the art that SKU is attached to an item, variant, product line, bundle, service, fee, or attachment);
- L. “Content includes, in respect of each electronic service and/or good able to be transacted; at least one of the following: a description; a graphic to represent the electronic service or good; details of acceptable payment methods; details of acceptable validation or data entry mechanisms” (par. 142);
- M. “content includes at least one of the following: a menu structure for navigating the electronic services and goods able to be transacted; and details of any security mechanisms implemented to control access to any restricted portions of the menu structure “ (par. 142);
- N. (“Transaction device receives a scheduled time for transmission of content “ (Scheduling of orders, par. 259);
- O. Process modeling, figures 3A-F;
- P. Boolean modeling inherent due to its digital nature;

[Emphasis added]

Appellant respectfully disagrees with the Examiner’s characterization of what Elston discloses.

In particular, the Appellant asserts that the multimedia objects disclosed in Elston **do not constitute electronic goods and services** that are provided as content by an electronic transaction system, e.g., as recited in claim 1. What Elston actually discloses on this point is that the a store information directory (see Elston paragraph [0508]) can include several entities, which can include “**multimedia objects contain logos and trademarks (1040), introductory and general information (1046), including frequently asked questions, terms and conditions (1052)** ...” [Emphasis added] (see paragraph [0519] of Elston). While such entities may list or describe goods and services available to a buyer to purchase and pick up **in person**, they are not actual electronic goods or services that are sent electronically to a buyer; nor is the Elston system/method such that a “host server . . . operates to issue the electronic goods and/or services,” as recited in claim 1.

Elston itself actually makes clear that it does not encompass electronic goods and services. *See, e.g.*, Elston, paragraph [0016]:

The invention consists of a complete remote ordering platform and method particularly suited for mobile or wireless commerce wherein a customer places an order with one physical outlet among a group of affiliated merchants **for fulfillment and pick up by the customer at a specific merchant location.**

[Emphasis added]

See also, Elston, paragraph [0059]:

The preferred embodiment of the invention is used to facilitate transactions between mobile **customers wishing to place orders for fulfillment and pick up**

at one of several affiliated merchant locations. The mobile customer interfaces with the system of the invention, implemented through one or more servers, and places the order with the system by means of a mobile wireless device. **The affiliated merchant locations of the preferred embodiment are members of a franchise network of vendor locations where speed of service is of importance, such as for example a fast food dispensing restaurant, a chain of video rental stores, a chain of convenience stores, etc.**

[Emphasis added]

The specific portions of Elston cited by the Office Action (at page 5) are set forth below for consideration. Paragraph [0081] of Elston recites the following:

The principal components identified above are preferably housed and executed on one or more servers dedicated to the RO system of the invention and remote from the merchant store locations. As noted below, many of the components may be implemented as distributed sub-systems.

In contrast with the Examiner's contention in the final Office Action as to what paragraph [0081] of Elston discloses, the Appellant reads the paragraph of Elston to mean essentially that the principal components of the Elston Remote Order (RO) system are preferably hosted on one or more servers remote from the merchant store locations.

Paragraph [0525] of Elston recites the following:

a. multimedia objects (1096), which contain information of interest to customers and can include images, audio, video and text,

In contrast to the Examiner's contention in the final Office Action as to what paragraph [0525] of Elston discloses, the Appellant reads the paragraph to mean essentially that the "store information directory 36 contains information required for customers to place remote orders to the specific store location" (paragraph [0519], last sentence) and this required information may include multimedia objects (paragraph [0525]) as information specific to a specific store (paragraph [0524]). Thus, Elston does not teach or suggest transacting electronic goods and/or services as recited in Appellant's claims, e.g., claim 1.

In the Examiner's Answer, specifically, the Response to Argument (Section 10, on page 7), the Examiner stated that the Appellant's argument was unpersuasive. More specifically, the Examiner provided the following reasoning in the Examiner's Answer regarding the Appellant's argument set forth in the Appeal Brief:

3. The Examiner considered the Appellant's arguments filed on March 21, 2011, but has not found those arguments to be persuasive.
4. Argument 1: Elston's system does not relate to an electronic transaction system capable of transacting electronic goods and/or services.
5. Response 1: The electronic transaction system, as described by applicant is capable of transacting electronic goods and/or services. In fact independent claim 1 does not teach a transaction being taking place where goods are exchanged for money. Claim 1 teaches a content management system, where goods [*sic*] "able to be transacted". Likewise, the prior art teaches a customer device paying for goods or services, par. 164 or fig. 3f, item 318.
6. Argument 2: Elston's system does not encompass electronic goods or services.

7. Response 2: the prior teaches the presentation of items of interest to the customer such as images, audio, video and text, par. 579.

Regarding Argument 1 (i.e., Appellant's position) and the Response 1 (the Examiner's counter position), noted above, the Appellant reads the Examiner's Answer as essentially stating that because the electronic transaction system, as recited in claim 1, is only capable of transacting electronic goods and/or services and in fact does not actually recite a transaction taking place where goods are exchanged for money, Elston is a proper basis for a rejection under 35 U.S.C. § 102(e) because it discloses a customer device paying for goods or services.

In rebuttal, Appellant notes that the Examiner's stated logic and characterizations of Appellant's claim 1 and Elston are inaccurate and/or incomplete. Specifically, while it is true that claim 1 recites "able to be transacted," such a limitation is embedded in the larger limitation that "the content management system provides content in the form of details of **electronic goods and/or services** stored in the electronic inventory **able to be transacted** by the electronic transaction device." Appellant further notes that claim 1 recites, *inter alia*, a transaction device, which as the specification teaches, includes "a payment application." *See* Appellant's specification at page 16, lines 14-17. The specification further teaches that the payment application is "any payment application capable of processing payment from a customer." *See* Appellant's specification at page 17, lines 19-21. Thus, claim 1 recites electronic goods and/or services as well as a transaction device, which includes a payment application that is "capable of processing payment from a customer." None of these things are disclosed by Elston.

Appellant notes that Claim 1 goes on to further recite the following:

where upon the at least one transaction device issuing the generated client request to the host server **the host server operates to generate a client response in reply to the client request** and in generating the client response, where necessary, issuing a service request to the at least one service provider system and receiving a service response from the at least one service provider, **and to issue the requested electronic goods and/or services.**

[Emphasis added]

Thus, claim 1 clearly recites that the host server, upon the at least one transaction device issuing the generated client request to the host server, the host server actually “**operates . . . to issue the requested electronic goods and/or services.**” Appellant notes that Elston fails to teach any such transaction of electronic goods and/or services; therefore Appellant respectfully submits that the Examiner’s position on this point is inaccurate, and has lead to an erroneous conclusion of anticipation for claims 1-30.

Regarding Argument 2 (i.e., Appellant’s position) and the Response 2 (i.e., the Examiner’s counter position), noted above, the Appellant reads the Examiner’s Answer as stating essentially that, contrary to the Appellant’s position, Elston’s system does encompass electronic goods or services, because Elston teaches the presentation of items of interest to the customer such as images, audio, video and text.

In response, the Appellant notes that claim 1 recites that “the content management system provides content in the form of details of electronic goods and/or services” as part of a transaction with a user. On this point, the Examiner appears to have failed to consider all of the

words in claim 1 when making the rejection under 35 U.S.C. § 102(e). The mere fact that Elston discloses that multimedia objects that can be viewed by a potential customer does not equate to a disclosure (or suggestion) of the limitations in claim 1 that “the content management system provides content in the form of details of electronic goods and/or services” as part of a transaction with a user.

In addition to the foregoing explanation of why Elston does not disclose all of the limitations of the Appellant’s claims, e.g., claim 1, the Appellant respectfully submits that the Examiner has failed to indicate or make clear where Elston discloses or teaches each and every element as set forth in Appellant’s claims.

For example, regarding claim 1, the Examiner has failed to indicate or make clear where Elston discloses or teaches the following elements or limitations:

- i. where the transaction application is operable to generate a user interface using the details and operable to generate a client request for one or more of the electronic goods and/or services;
- ii. whereupon the at least one transaction device issuing the generated client request to the host server the host server operates to generate a client response in reply to the client request;
- iii. in generating the client response, where necessary, issuing a service request to the at least one service provider system and receiving a service response from the at least one service provider; and

iv. to issue the requested electronic goods and/or services.

Therefore, the anticipation rejection of claim 1 should be withdrawn since the Examiner has failed to indicate or make clear where Elston discloses every element of claim 1. Similarly, the anticipation rejections of the remaining claims (2-30) should be withdrawn at least by virtue of their dependency (either direct or indirect) from claim 1.

In addition, the Examiner has also failed to indicate or make clear where Elston discloses or teaches every element of at least the following dependent claims:

Claim 2 - “where the content management system references the matrix in determining the content to be provided to each transaction device of the at least one transaction device to ensure that the set of permissions and/or constraints are complied with”;

Claim 3 - “each dimension operable to record information in respect of the transaction device, electronic good or service or merchant, as appropriate, that may affect the content to be provided by the content management system”;

Claim 4 - “references the matrix in generating a client response to ensure that the set of permissions and/or constraints are complied with”;

Claim 5 - “the transaction device operable to check the set of unique identifiers against content already provided and request content having unique identifiers not already provided from the content management system”; and

Claims 6 to 8 and 14 to 26 - each claim in its entirety.

The Examiner's Answer does not appear to have directly addressed the above-noted limitations of Appellant's claims. Accordingly, since Elston fails to disclose or teach each and every element of claim 1, Appellant respectfully submits that the rejection of claim 1 is without proper basis and should be withdrawn. Similarly, the anticipation rejections of the remaining claims should be withdrawn at least by virtue of their dependency (either direct or indirect) on claim 1.

In addition to Elston not forming a proper basis for a rejection of claims 1-30 under 35 U.S.C. § 102(e), Appellant submits (as was stated in the Appeal Brief) that it would not have been obvious to a person of ordinary skill in the art to modify Elston to arrive at the claimed invention without impermissible hindsight. More specifically, Elston specifically teaches away from transacting electronic goods and services, as Elston specifically teaches that its invention is used to facilitate transactions between mobile **customers wishing to place orders for fulfillment and pick up at one of several affiliated merchant locations**. See, e.g., paragraphs [0002] and [0059] of Elston.

Based on at least the foregoing reasons, claim 1 is patentable over Elston. Claims 2-30 are patentable over Elston for at least the same reasons as claim 1. Based on the reasons described previously, the Appellant respectfully submits that the cited Elston reference forms an improper basis for a rejection of claims 1-30 under 35 U.S.C. § 102(e). Appellant therefore requests reversal of the rejection and allowance of the claims.

Conclusion

For all of the foregoing reasons, Appellant respectfully submits that the rejections of the claims of the subject application are based on improper grounds and should be reversed. Appellant, therefore, respectfully solicits the Honorable Board to reverse the Examiner's rejections under 35 U.S.C. § 102(e) of claims 1-30 of the subject application.

Respectfully submitted,

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